

New law requires agents to register with the public protection division of the Dept. of Justice.

Prior law defined "athlete agent" as a person who, directly or indirectly, recruits or solicits an athlete to enter into an agent contract or professional sport services contract with that person, or who for a fee procures, or attempts to obtain employment for an athlete with a professional sports team.

New law adds that a principal or subsidiary owned by the agent is considered an agent if he engages in the activities of an agent. Athlete agent shall also mean an attorney licensed to practice in any state, commonwealth, territory, or possession of the United States, if that attorney engages in any of the practices described in existing or new law. It further provides that a person performing financial planning and management services is an agent if he engages in practices described in existing or new law.

Prior law defined "athlete" as an individual who resides in this state and who:

- (1) Is eligible to participate in junior high, high school, or intercollegiate sports contests as a member of a sports team of a junior high, high school, or institution of higher education which is located in this state and which is a member of a national association for the promotion and regulation of junior high, high school, or intercollegiate sports.
- (2) Has participated as a member of such a sports team at a junior high, high school, or institution of higher education and who has never signed a contract of employment with a professional sports team.

New law retains prior law but changes the definition to a student who resides in this state. It also provides that an athlete is a student who has participated as a member of a sports team at a junior high, high school, or institution of higher education and who has:

- (1) Not completed his last intercollegiate or interscholastic sports contest.

adjudicatory hearing, to refuse to issue or renew a registration upon proof that an agent engaged in any one or all of the following activities:

- (1) Has made false or misleading statements of a material nature in his application for registration or renewal.
- (2) Has ever been convicted of fraud, embezzlement, a felonious theft, or any other crime involving a misappropriation of funds, which would render him unfit to serve in a fiduciary capacity.
- (3) Has engaged in conduct that violates or causes an athlete to violate any rule or regulation promulgated by any federation or association.
- (4) Has been denied certification by any professional players association.

New law further provides for suspension or revocation of registration upon proof that the athlete agent has engaged in any of the aforementioned activities or any other provision of new or existing law. New law also provides that prior to a denial, refusal to renew, suspension, or revocation of registration, the division will notify the applicant or athlete agent in writing by certified mail of the reasons for denial, refusal to renew, suspension, or revocation and of the date of the hearing. All adjudicatory hearings will be held in accordance with the Administrative Procedure Act.

Prior law provided that the following provision be printed on the face of an agent contract in at least 10-point type that is bold-faced, capitalized, underlined, or otherwise set out:

"Notice to Client

- (1) This athlete agent is registered with the secretary of state of the state of Louisiana. Registration does not imply approval or endorsement by the secretary of state of the specific terms and conditions of this contract or the competence of the athlete agent.
- (2) Do not sign this contract until you have read it or if it contains blank

a schedule of fees that an agent may charge to and collect from an athlete, and if a multiyear contract is negotiated by a registered agent for an athlete, the agent must not collect, in any twelve-month period, for the services of the agent in negotiating the contract, a fee that exceeds the amount the athlete will receive under the contract in the same period.

New law retains prior law and further provides that a written contract between an athlete and an athlete agent must state the fees and percentages to be paid by the athlete to the agent and provides that it must be filed with the division.

Prior law provided that a registered athlete agent must file with the secretary of state a copy of an agent contract made with an athlete who has never before signed a contract with a professional sports team. If the athlete is a full-time student at an institution of higher education located in this state, the agent must file the contract with the athletic director of the institution not later than the fifth day after the date the contract is signed by the athlete. Prior law further provided that an agent contract may be terminated by the athlete at any time before the expiration of the 16th day after the date on which the contract has been filed.

New law retains prior law but requires such filing with the division and also provides that the athlete must provide written notice of the contract to the athletic director or the president of the institution he is attending. New law deletes the provision that allows five days to file the contract, and changes it to 72 hours or before the athlete practices or participates in any intercollegiate event or practice, whichever comes first. It further provides that failure of the athlete agent to provide this notification shall be declared a misdemeanor and shall be punishable by a fine of not more than \$10,000, or imprisonment for not more than one year, or both. It also provides that an athlete may not under any circumstances waive his right to terminate the agent contract.

New law provides that an agent contract is not effective until the 16th day after the date of execution of the contract. The athlete may rescind the contract any time prior to the sixteenth day.

New law provides that a nostdated contract is void and unenforceable. It also

Prior law prohibited an athlete agent or attorney licensed in this state from directly or indirectly contacting a collegiate athlete in this state to discuss the athlete agent's representation of the athlete in the marketing of the athlete's athletic ability or reputation, unless the contact was made during an on-campus athlete agent interview sponsored by the athlete's college during his final year of eligibility to participate in athletics.

New law prohibits an athlete agent from directly or indirectly contacting a collegiate athlete in this state in a manner that would violate the rules of the federation or association of which that school or institution is a member to discuss the athlete agent's representation of the athlete in the marketing of the athlete's athletic ability or reputation.

New law deletes all exemptions for attorneys licensed to practice law in this state, except for the payment of registration fees. The division must verify with the Louisiana State Bar Association that attorneys registering as athlete agents have paid their annual membership fees and are in good standing with the association.

Prior law provided that an athlete agent or licensed attorney who violated the provisions of prior law was subject to forfeiture of any right of repayment of anything of value either received by an athlete as an inducement to enter into any agent contract or received by an athlete before completion of the athlete's last intercollegiate sports contest.

New law provides that an athlete agent who violates the provisions of existing or new law is subject to forfeiture of any right of repayment of anything of value either received by an athlete as an inducement to enter into a contract or for any other reason.

New law changes National Collegiate Athletic Association to federation or association of which the school or institution is a member.

New law requires the division to annually compile a list of athletes from colleges in this state that signed to a contract and to contact the appropriate players' associations to determine which agents represent those athletes. If

of the agent.

New law further provides that the provisions of new law shall not prohibit an athlete agent from entering into an agent contract or professional sport services contract with an athlete who is being recruited by an institution of higher education. The provisions shall also not prohibit an athlete agent from entering into an agent contract or a professional sport services contract with an athlete who is participating in sports contests at an institution of higher education.

New law provides that any person found to be in violation of new law shall be guilty of a misdemeanor and shall be imprisoned for not more than one year, or may be fined not more than \$10,000, or both.

New law provides that all books, papers, records, money, equipment, actions, and other property of any kind, movable and immovable, real and personal, possessed, controlled, or used by the secretary of state in connection with the regulation of athlete agents are transferred to the public protection division of the Dept. of Justice.

Effective August 15, 1999.

(Amends R.S. 4:421(A)(2), (4), and (5), 422(A), (C)(1)(introductory paragraph), and (E), 423, 424(A)(intro. para.), (1), (8), and (9), 425(A) and (C), 426(A)(intro. para.) and (1), (B), and (C), 427(A)(intro. para.), (B), and (C), 428, and 430; Adds R.S. 4:420, 421(A)(7), (8), and (9), 422.1, 423(F), (G), (H), and (I), 431, 432, and 433; Repeals 4:421(6) and R.S. 4:422(F))